

**U. S. CUSTOMS SERVICE
OFFICE OF STRATEGIC TRADE
REGULATORY AUDIT DIVISION**

**CONFIDENTIAL INFORMATION DISCLOSURE LETTER
(Example)**

Dear Mr. ABC:

The purpose of this letter is to provide information concerning the treatment of confidential business information. In accordance with Treasury Department Regulation 31 CFR 1.6, it is the policy of the Regulatory Audit Division to advise each auditee that if some of the information furnished during the course of a compliance assessment or audit is sensitive, confidential business information which the auditee wishes to remain confidential, the auditee should so advise the auditor-in-charge and set forth the reasons why the information is sensitive, confidential business information. The auditor will make appropriate notations in the audit report and in the audit working papers, which will set forth the auditee's reasons for claiming the information to be confidential.

Even if the auditee does not provide such notice, it is recognized that information obtained during the course of Customs officials' duties include trade secrets and commercial and financial information relating to the confidential business of private parties. The Trade Secrets Act (18 U.S.C. 1905) provides penalties for disclosure of such information. Federal employees who violate this act by making wrongful disclosures of confidential commercial information may be subject to a personal fine not more than the greater of \$100,000 or, if the person derives a financial gain from the offense, or the offense results in a financial loss to another person, a fine up to twice the gross gain or loss (18 U.S.C. 3571(b), (d)), imprisonment for not more than one year, or both; and shall be removed from employment. Also, improper disclosure of certain information contained in this document may constitute a violation of the Privacy Act (5 U.S.C. 552a) and violators could be subject to a fine of not more than \$5,000.00.

In addition, Section 43 of Customs' Table of Offenses and Penalties provides that improper disclosure of information by any Customs employee may result in agency-instituted sanctions against the violator personally, including dismissal from the Customs Service.

If you have any questions concerning this matter, please do not hesitate to discuss them with John Doe, Compliance Assessment Team Leader, who may be reached at (xxx) 999-9999. Or, you may feel free to call John Smith, Supervisory Auditor, or me, at (xxx) 888-8888.

Sincerely,

Field Director
Regulatory Audit Division

March 30, 2001